

vestment of that part of the surplus revenue of the United States to be deposited with this State."

Your committee would further report, that they cannot advise the appropriation of the \$1,000,000, reserved as before stated to the establishment of a State Bank. In a State like Maryland, of limited territory, and where parties are nearly balanced, a State Bank might be converted into a political engine of great power. Its officers would be selected for political considerations. Its wealth would be used for the advancement of political objects. Against the corrupt tendencies of a public monied institution it would be difficult if not impracticable to devise an adequate remedy.

The profits of a State Bank, under the most prudent administration, would be moderate. Private banks of the highest character cannot divide more than six per cent on their capital. It is not to be expected that greater profits would be realized from the operations of a bank conducted by political agents for party purposes.

The circulation of a State Bank could not exceed the circulation of a private bank of good character, on an equal capital. The accruing revenue of the State, unequal to the ordinary expenses of the government and frequently anticipated by occasional loans, would not greatly increase the facilities of the bank. The predicament of a State Bank created by us in our present condition, would differ much from that of a bank, resting on the support of an abundant Treasury.

The relations of creditor and debtor between the State and its citizens would necessarily flow from the creation of a bank upon the basis of public capital and credit. The State would become the great usurer in the land; and for the increase of its profits would discourage private banking. No policy could be adopted which is better calculated to estrange the affections of the people from their government than that which would convert the State, whose offices to its citizens should be those of a kind, forbearing, protecting parent, into an universal creditor.

Banking is not a legitimate operation of government—It is trading in its most exceptionable form. Few would be found to advocate a proposition that the State should engage in trading in flour or tobacco or any other staple production.—These matters, it is universally conceded, ought to be left to the enterprise of the private citizen, yet the very objections which may be urged against general trading on the part of the government are applicable